AMENDED IN SENATE AUGUST 21, 2012 AMENDED IN SENATE JUNE 20, 2012 AMENDED IN ASSEMBLY APRIL 10, 2012 AMENDED IN ASSEMBLY MARCH 28, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2670

Introduced by Committee on Natural Resources (Assembly Members Chesbro (Chair), Brownley, Dickinson, Halderman, Huffman, Monning, and Skinner) Assembly Members Chesbro and Williams

March 5, 2012

An act to amend Sections 41781.3, 42301, 42649.1, and 42649.2, and 42649.3of, and to add Sections 41781.4 and 43020.5 to, the Public Resources Code, relating to solid waste.

LEGISLATIVE COUNSEL'S DIGEST

AB 2670, as amended, Committee on Natural Resources Chesbro. Solid-waste recycling: facilities. waste: recycling: diversion: green materials.

(1) The existing California Integrated Waste Management Act of 1989, which is administered by the Department of Resources Recycling and Recovery, establishes an integrated waste management program. Existing law requires each city, county, and regional agency, if any, to develop a source reduction and recycling element of an integrated waste management plan. The act requires the source reduction and recycling element to divert from disposal 50% of all solid waste subject to the element through source reduction, recycling, and composting activities,

AB 2670 — 2 —

with specified exceptions. Under the act, the use of solid waste for beneficial reuse in the construction and operation of a solid waste landfill, including the use of alternative daily cover, constitutes diversion through recycling and is not considered disposal.

This bill would require the department to adopt regulations to provide that, on and after January 1, 2020, the use of green material as alternative daily cover or alternative intermediate cover does not constitute diversion through recycling and would be considered disposal for purposes of the act. The bill would authorize the department to delay the effective date of this requirement, as specified. The bill would impose a state-mandated local program by imposing new duties upon local agencies with regard to the diversion of solid waste.

This bill would require the department, by January 1, 2014, to conduct an analysis of the use of residual fines from material recovery facilities and materials left over from the composting process for use as alternative daily cover and other forms of beneficial use in the design and operation of a solid waste landfill. The bill would require the department to adopt regulations, by July 1, 2014, based on this analysis, if the department makes a specified determination that residual fines from material recovery facilities and materials left over from the composting process would serve as adequate daily cover.

(1) The California Integrated Waste Management Act of 1989

(2) The act requires rigid plastic packaging containers that are sold or offered for sale in this state to meet, on average, one of specified criteria and defines terms for purposes of those requirements. One of those criteria that a rigid plastic packaging container may meet to satisfy this requirement is that the container be source reduced. The act provides for the enforcement of these requirements by the Department of Resources Recycling and Recovery and provides that an entity making a false certification pursuant to those requirements is subject to a violation for fraud.

This bill would revise the definitions of the various terms used in the those requirements, including revising the definition of the term "source reduced" to impose new requirements, thereby imposing a state-mandated local program by changing the definition of a crime.

(2)

(3) The act requires a business, which is defined as a commercial or public entity, that generates more than 4 cubic yards of commercial solid waste per week or is a multifamily residential dwelling of 5 units or more, to arrange for recycling services. Existing law also requires

-3- AB 2670

jurisdictions to implement a commercial solid waste recycling program meeting specified elements. Existing law defines the term "commercial solid waste" by reference to a specified regulation.

This bill would instead define commercial solid waste in statute to include all types of solid waste generated by a store, office, or other commercial or public entity source, including a business or a multifamily dwelling of 5 or more units, thereby imposing a state-mandated local program by imposing new requirements upon local jurisdictions. The bill would define the term "large-quantity commercial organics generator" as a business that generates significant amounts of organic waste, including food waste and green material, that is traditionally disposed of in a solid waste landfill, as determined by the department.

The bill would require the department to adopt, by January 1, 2017, regulations to require a large-quantity commercial organics generator to arrange for separate organics collection and recycling services, except as specified.

The bill would impose a state-mandated local program by imposing new duties upon local agencies with regard to the commercial solid waste program required to be implemented by local agencies.

(4) The act requires the department to adopt regulations setting forth standards for solid waste handling. A violation of the provisions regulating solid waste facilities is a crime.

This bill would require a solid waste facility that accepts solid waste from the public or self-haulers to establish a separate collection area for segregated green material and nonhazardous woody material. The bill would prohibit the disposal of this material, but would allow its use for beneficial reuse in the construction and operation of a solid waste landfill, including as alternative daily cover. Since a violation of this requirement would be a crime, the bill would impose a state-mandated local program.

(3)

(5) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for specified reasons.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

AB 2670 —4—

1 2

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

- (a) With the enactment of the California Integrated Waste Management Act of 1989 (Division 30 (commencing with Section 40000) of the Public Resources Code), the Legislature declared that the Department of Resources Recycling and Recovery (Cal Recycle) and local agencies shall promote recycling, anaerobic digestion, and composting over land disposal and transformation.
- (b) Since the enactment of the act, local governments and private industries have worked jointly to create an extensive material collection infrastructure and have implemented effective programs to achieve a statewide diversion rate greater than 50 percent.
- (c) Although California now leads the nation in waste reduction and recycling, the state continues to dispose of more than 15 million tons of compostable organics each year in solid waste landfills.
- (d) Composting or anaerobically digesting organic materials results in substantial environmental and agricultural benefits, including the reduction of naturally occurring volatile organic compounds and ammonia.
- (e) The Economic and Technology Advancement Advisory Committee, formed pursuant to the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code), has identified composting and anaerobic digestion as a cost-effective technology for reducing greenhouse gas emissions.
- (f) The application of compost in agriculture and landscaping has been shown to offer significant water quality benefits, provide erosion control, reduce the need for synthetic fertilizers and pesticides, and conserve water and irrigation-associated energy.
- (g) In 2007, the former state agency that preceded CalRecycle adopted a Strategic Directive 6.1 to reduce the amount of organics in the waste stream by 50 percent by the year 2020.
- (h) To reduce the landfilling of organics, increase composting and anaerobic digestion, and meet the organics disposal reduction target adopted by CalRecycle, the state should reduce barriers to, and provide incentives for, increasing processing capacity and end-use markets for compostable organics.

5 AB 2670

SEC. 2. Section 41781.3 of the Public Resources Code is amended to read:

- 41781.3. (a) (1) The use of solid waste for beneficial reuse in the construction and operation of a solid waste landfill, including use of alternative daily cover, which reduces or eliminates the amount of solid waste being disposed pursuant to Section 40124, shall constitute diversion through recycling and shall not be considered disposal for the purposes of this division.
- (2) The department shall adopt regulations to provide that, no later than January 1, 2020, the use of green material, as defined in regulations by the department, as alternative daily cover or alternative intermediate cover, does not constitute diversion through recycling and shall be considered disposal for purposes of this division.
- (3) When adopting regulations pursuant to paragraph (2), the department may establish requirements for different regions of the state to be in effect on or before January 1, 2020, but not later than January 1, 2020.
- (4) The department shall provide notice to all operators of disposal facilities of the requirements in the regulations adopted pursuant to paragraph (2) one year prior to the effective date of the requirements.
- (5) The department may, at its sole discretion, delay the effective date of the regulations required to be adopted pursuant to paragraph (2) for up to two years if the department determines that sufficient regional green material processing infrastructure will not exist to handle this material.
- (b) Prior to December 31, 1997, pursuant to the board's department's authority to adopt rules and regulations pursuant to Section 40502, the board department shall, by regulation, establish conditions for the use of alternative daily cover that are consistent with this division. In adopting the regulations, the board department shall consider, but is not limited to, all of the following criteria:
- (1) Those conditions established in past policies adopted by the board department affecting the use of alternative daily cover.
- (2) Those conditions necessary to provide for the continued economic development, economic viability, and employment opportunities provided by the composting industry in the state.

AB 2670 — 6 —

(3) Those performance standards and limitations on maximum functional thickness necessary to ensure protection of public health and safety consistent with state minimum standards.

- (c) Until-Except as provided in paragraph (2) of subdivision (a), until the adoption of additional regulations, the use of alternative daily cover shall be governed by the conditions established by the board department in its existing former regulations set forth in paragraph (3) of subdivision (b) of, and paragraph (3) of subdivision (c) of, Section 18813 of Title 14 of the California Code of Regulations, as those sections read on the effective date of this section January 1, 1997, and by the conditions established in the board's policy adopted on January 25, 1995.
- (d) In adopting rules and regulations pursuant to this section, Section 40124, and this division, including, but not limited to, Part 2 (commencing with Section 40900), the board department shall provide guidance to local enforcement agencies on any conditions and restrictions on the utilization of alternative daily cover so as to ensure proper enforcement of those rules and regulations.
- SEC. 3. Section 41781.4 is added to the Public Resources Code, to read:
- 41781.4. (a) On or before January 1, 2014, the department shall conduct an analysis of the effect on public health and safety, consistent with state minimum standards, of the use of residual fines from material recovery facilities and materials left over from the composting process for alternative daily cover and other forms of beneficial use in the design and operation of a solid waste landfill.
- (b) On or before July 1, 2014, based on the analysis conducted pursuant to subdivision (a), if the department determines that fines from material recovery facilities or materials left over from the composting process would serve as an adequate daily cover, the department shall adopt regulations for residual fines from material recovery facilities or materials left over from the composting process as an authorized material for use as alternative daily cover and beneficial reuse at solid waste facility landfills in the state, which regulations shall include performance standards and limitations on the maximum functional thickness necessary to ensure protection of public health and safety, consistent with state minimum standards.

__7__ AB 2670

(c) The regulations adopted pursuant to paragraph (b) shall include performance standards and may include standards for screening, processing, and testing material recovery facility fines to insure all of the following:

- (1) The material does not contain hazardous materials above approved thresholds.
- (2) The material performs adequately in its ability to control odors, vectors, litter, and scavenging.
- (3) The use of the material does not negatively affect the conditions necessary to provide for the continued economic development, economic viability, and employment opportunities provided by the composting and recycling industries in the state.
- (d) The regulations adopted pursuant to this section for the use of residual fines from materials recovery facilities for use as alternative daily cover or for beneficial reuse in the design and operation of a solid waste landfill, shall meet both of the following requirements:
- (1) The regulations shall not allow the use of residual fines from mixed waste processing.
- (2) The regulations shall require that any materials left over from the composting process used as alternative daily cover or beneficial reuse in the design and operation of a solid waste landfill not exceed 5 percent of the incoming material at the source compost facility, by weight.

SECTION 1.

- SEC. 4. Section 42301 of the Public Resources Code is amended to read:
- 42301. For purposes of this chapter, the following definitions apply:
- (a) "Container manufacturer" means a company or a successor company that manufactures and sells any rigid plastic packaging container subject to this chapter to a manufacturer that sells or offers for sale in this state any product packaged in that container.
- (b) "Curbside collection program" means a recycling program that collects materials set out by households for collection at the curb at intervals not less than every two weeks. "Curbside collection program" does not include redemption centers, buyback locations, dropoff programs, material recovery facilities.

39 recovery facilities.

AB 2670 —8—

1 2

(c) "Refillable package" means a rigid plastic packaging container that is routinely returned to and refilled by the product manufacturer or its agent at least five times with the original product contained by the rigid plastic packaging containers.

- (d) "Reusable package" means a rigid plastic packaging container that is routinely reused by consumers at least five times to store the original product contained by the package.
- (e) "Manufacturer" means the producer or generator of a product that is sold or offered for sale in the state and that is stored inside of a rigid plastic packaging container.
- (f) "Rigid plastic packaging container" means a plastic packaging container having a relatively inflexible finite shape or form, with a minimum capacity of eight fluid ounces or its equivalent volume and a maximum capacity of five fluid gallons or its equivalent volume, that is capable of maintaining its shape while holding other products, including, but not limited to, bottles, cartons, and other receptacles, for sale or distribution in the state.
- (g) (1) "Postconsumer material" means a material that would otherwise be destined for solid waste disposal, having completed its intended end use and product lifecycle.
- (2) Except as provided in paragraphs (3) and (4), postconsumer material does not include materials and byproducts generated from, and commonly reused within, an original manufacturing and fabrication process.
- (3) "Postconsumer material" includes finished plastic packaging that has been rejected by a container or product manufacturer, and that would be commonly disposed of, if the department determines the material is later used in a process that is other than an original manufacturing and fabrication process.
- (4) "Postconsumer material" includes a rigid plastic packaging container holding an obsolete or unsold product that is commonly disposed of, and not commonly reused, within an original manufacturing process, if the rigid plastic packaging container is used as feedstock for new rigid plastic packaging containers or under the alternative compliance method established by Section 42310.3.
- (h) "Recycled" means a product or material that has been reused in the production of another product and has been diverted from disposal in a landfill.

-9- AB 2670

(i) "Recycling rate" means the proportion, as measured by weight, volume, or number, of a rigid plastic packaging container sold or offered for sale in the state that is being recycled in a given calendar year, that is one of the following:

- (1) A particular type of rigid plastic packaging container, such as a milk jug, soft drink container, or detergent bottle.
 - (2) A product-associated rigid plastic packaging container.
- (3) A single resin type, as specified in Section 18015, of rigid plastic packaging container, notwithstanding the exemption of that container from this chapter pursuant to subdivision (b), (c), or (d) of Section 42340.
- (j) (1) "Source reduced container" means a rigid plastic container for which the container weight per unit or number of product uses has been reduced by 10 percent when compared with one of the following:
- (A) The rigid plastic packaging container used for the product by the manufacturer on January 1, 1995.
- (B) The rigid plastic packaging container used for that product by the product manufacturer over the course of the first full year of commerce in this state.
- (C) A rigid plastic packaging container used in commerce in this state during the same year for similar products in similar rigid plastic packaging containers by the product manufacturer whose containers have not been considered source reduced, or a particular type of rigid plastic packaging container that is used to hold a similar product by other product manufacturers, as determined by the department, whose containers have not been considered source reduced.
- (2) A rigid plastic packaging container is not a source reduced container for the purposes of this chapter if the reduction was achieved by any of the following:
- (A) Substituting a different material type for a material that previously constituted the principal material of the container.
- (B) Increasing a container's weight per unit or number of product uses after January 1, 1991.
- (C) Packaging changes that adversely affect the potential for the rigid plastic packaging container to be recycled or to be made of postconsumer material.
- 39 (k) "Product-associated rigid plastic packaging container" means 40 a brand-specific, rigid plastic packaging container line that may

AB 2670 — 10 —

1 have one or more sizes, shapes, or designs and that is used in 2 conjunction with a particular generic product line.

- (l) "PETE" means polyethylene terephthalate as specified in subdivision (a) of Section 18015.
 - (m) "HDPE" means high-density polyethylene.
- SEC. 2. Section 42649.1 of the Public Resources Code is amended to read:
 - 42649.1. For purposes of this chapter, the following shall apply:
- (a) "Business" means a commercial or public entity, including, but not limited to, a firm, partnership, proprietorship, joint stock company, corporation, or association that is organized as a for-profit or nonprofit entity, or a multifamily residential dwelling.
- (b) "Commercial solid waste" includes all types of solid waste generated by a store, office, or other commercial or public entity source, including a business or a multifamily dwelling of five or more units.
- (c) "Commercial waste generator" means a business subject to subdivision (a) of Section 42649.2.
- (d) "Self-hauler" means a business that hauls its own waste rather than contracting for that service.
- SEC. 5. Section 42649.1 of the Public Resources Code is amended to read:
- 42649.1. For purposes of this chapter, the following-terms mean the following shall apply:
- (a) "Business" means a commercial or public entity, including, but not limited to, a firm, partnership, proprietorship, joint stock company, corporation, or association that is organized as a for-profit or nonprofit entity, or a multifamily residential dwelling.
- (b) "Commercial solid waste" has the same meaning as defined in Section 17225.12 of Title 14 of the California Code of Regulations includes all types of solid waste generated by a store, office, or other commercial or public entity source, including a business or multifamily dwelling of five or more units.
- (c) "Commercial waste generator" means a business subject to subdivision (a) of Section 42649.2.
- (d) "Large-quantity commercial organics generator" means a business that generates significant amounts of organic waste, including, but not limited to, food waste and green materials, that is traditionally disposed of in a solid waste landfill, as determined by the department.

—11 — AB 2670

1 (d)

(e) "Self-hauler" means a business that hauls its own waste rather than contracting for that service.

- SEC. 6. Section 42649.2 of the Public Resources Code is amended to read:
- 42649.2. (a) On and after July 1, 2012, a business that generates four cubic yards or more of commercial solid waste per week or is a multifamily residential dwelling of five units or more shall arrange for recycling services, consistent with state or local laws or requirements, including a local ordinance or agreement, applicable to the collection, handling, or recycling of solid waste, to the extent that these services are offered and reasonably available from a local service provider.
- (b) A commercial waste generator shall take at least one of the following actions:
- (1) Source separate recyclable materials from solid waste and subscribe to a basic level of recycling service that includes collection, self-hauling, or other arrangements for the pickup of the recyclable materials.
- (2) Subscribe to a recycling service that may include mixed waste processing that yields diversion results comparable to source separation.
- (c) A property owner of a multifamily residential dwelling may require tenants to source separate their recyclable materials to aid in compliance with this section.
- (d) (1) (A) On or before January 1, 2017, the department shall adopt regulations to require a large-quantity commercial organics generator to arrange for separate organics collection and recycling services which may include, but are not limited to, self-hauling.
- (B) This paragraph does not apply to green material collected by a city, county, or other local agency.
- (2) When adopting the regulations pursuant to paragraph (1), the department may establish different timelines for different types of organic materials, different types of large quantity generators, and different regions of the state, but the regulations shall require these requirements to be in effect no later than January 1, 2017.

SEC. 3.

SEC. 7. Section 42649.3 of the Public Resources Code is amended to read:

AB 2670 — 12 —

42649.3. (a) On and after July 1, 2012, each jurisdiction shall implement a commercial solid waste recycling program appropriate for that jurisdiction designed to divert commercial solid waste from businesses subject to Section 42649.2, whether or not the jurisdiction has met the requirements of Section 41780.

- (b) If a jurisdiction already has a commercial solid waste recycling program as one of its diversion elements that meets the requirements of this section, it shall not be required to implement a new or expanded commercial solid waste recycling program.
- (c) The commercial solid waste recycling program shall be directed at a commercial waste generator, as defined in subdivision (c) of Section 42649.1, and may include, but is not limited to, any of the following:
- (1) Implementing a mandatory commercial solid waste recycling policy or ordinance.
- (2) Requiring a mandatory commercial solid waste recycling program through a franchise contract or agreement.
- (3) Requiring all commercial solid waste to go through either a source separated or mixed processing system that diverts material from disposal.
- (d) The commercial solid waste recycling program shall include education, outreach to, and monitoring of, businesses. A jurisdiction shall notify a business if the business is not in compliance with Section 42649.2.
- (e) The commercial solid waste recycling program may include enforcement provisions that are consistent with a jurisdiction's authority, including a structure for fines and penalties.
- (f) The commercial solid waste recycling program may include certification requirements for self-haulers.
- (g) The department shall review a jurisdiction's compliance with this section as part of the department's review required by Section 41825. Each jurisdiction shall report the progress achieved in implementing its commercial recycling program, including education, outreach, identification, and monitoring, and if applicable, enforcement efforts, by providing updates in the annual report required by Section 41821.
- (h) The department may also review whether a jurisdiction is in compliance with this section at any time that the department receives information that a jurisdiction has not implemented, or is

-13- AB 2670

not making a good faith effort to implement, a commercial recycling program.

- (i) During its review pursuant to subdivision (g) or (h), the department shall determine whether each jurisdiction has made a good faith effort to implement its selected commercial recycling program. For purposes of this section, "good faith effort" means all reasonable and feasible efforts by a jurisdiction to implement its commercial recycling program. During its review, the department may include, but is not limited to, the following factors in its evaluation of a jurisdiction's good faith effort:
- (1) The extent to which businesses have complied with Section 42649.2, including information on the amount of disposal that is being diverted from the businesses, if available, and on the number of businesses that are subscribing to service.
- (2) The recovery rate of the commercial waste from the material recovery facilities that are utilized by the businesses, all information, methods, and calculations, and any additional performance data, as requested by the department from the material recovery facilities pursuant to Section 18809.4 of Title 14 of the California Code of Regulations.
- (3) The extent to which the jurisdiction is conducting education and outreach to businesses.
- (4) The extent to which the jurisdiction is monitoring businesses, and notifying those businesses that are out of compliance.
 - (5) The availability of markets for collected recyclables.
 - (6) Budgetary constraints.

- (7) In the case of a rural jurisdiction, the effects of small geographic size, low population density, or distance to markets.
- SEC. 8. Section 43020.5 is added to the Public Resources Code, to read:
- 43020.5. (a) A solid waste facility that accepts solid waste from the public or self-haulers shall establish a separate collection area for segregated green material and nonhazardous woody material.
- (b) The material collected pursuant to subdivision (a) shall not be disposed, as defined in subdivision (b) of Section 40192, but may be used for beneficial reuse in the construction and operation of a solid waste landfill, including as alternative daily cover.

AB 2670 — 14 —

1 SEC. 4.

2 SEC. 9. No reimbursement is required by this act pursuant to 3 Section 6 of Article XIIIB of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or 5 level of service mandated by this act or because costs that may be 6 incurred by a local agency or school district will be incurred 8 because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or 10 11 changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution. 12